

ITEM NO: \_\_\_\_\_

PREPARED BY: Kelly Rayne

APPROVED BY: \_\_\_\_\_

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**RESOLUTION AMENDING THE FY 2009 OPERATING BUDGET TO ACCEPT GRANT FUNDS FROM THE SHELBY FARMS PARK CONSERVANCY IN THE AMOUNT OF \$4,775,000 FOR PURCHASE OF A 7.08 MILE LONG SECTION OF AN INACTIVE CSX RAIL LINE CORRIDOR AND PARTIALLY FUND INITIAL TRAIL DEVELOPMENT EXPENSES, AND AMENDING THE FY 2009 CIP BUDGET TO TRANSFER FUNDS IN THE AMOUNT OF \$375,000 FROM THE COUNTY'S CIP CONTINGENCY FUND TO THE GRANT FUND TO BUILD THEREON A PUBLIC ASPHALT TRAIL; APPROVING A PURCHASE AGREEMENT WITH CSX TRANSPORTATION, INC. FOR THE PURCHASE OF THE RAIL LINE CORRIDOR FOR THE DEVELOPMENT OF THE PUBLIC TRAIL; AND AMENDING THE MANAGEMENT AGREEMENT WITH SHELBY FARMS PARK CONSERVANCY TO AUTHORIZE ITS MANAGEMENT OF THE CORRIDOR FOR USE AS A PUBLIC TRAIL AND APPROPRIATE SAID FUNDS. THIS ITEM REQUIRES EXPENDITURE OF GRANT FUNDS IN THE AMOUNT OF \$4,775,000 AND CIP FUNDS IN THE AMOUNT OF \$375,000. SPONSORED BY COMMISSIONERS DEIDRE MALONE AND STEVE MULROY.**

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**WHEREAS**, The Board of Commissioners of Shelby County, Tennessee, desires to develop a public trail for the use and benefit of the citizens of Memphis and Shelby County; and

**WHEREAS**, The Board of Commissioners of Shelby County, Tennessee, recognizes the significant benefits of public trails insofar as they bolster the community's economic development efforts by encouraging business recruitment and retention, which is of particular importance in the current economic climate and ever-increasingly competitive global economy; and

**WHEREAS**, The Board of Commissioners of Shelby County, Tennessee, further recognizes the benefits of public trails in that they connect neighborhoods and provide citizens with pedestrian and cycling paths for exercise that serve as an alternative mode of transportation and enhance our conservation efforts; and

**WHEREAS**, The County has negotiated with CSX Transportation, Inc. to purchase a 7.08 mile long section of its inactive rail line corridor, approximately 100 feet wide, located between approximately Flicker Street in central Memphis and Farm Road at Shelby Farms Park, for the purpose of developing such corridor into a public trail in accordance with the interim trail use and rail banking provisions of the National Trails System Act, 16 U.S.C. 1247(d); and

**WHEREAS**, Shelby Farms Park Conservancy has indicated a desire to partner with the County in developing such a trail, and has provided notice to the County that it would provide a

\$4,775,000 grant to the County to purchase the corridor and partially fund initial trail development expenses, provided that the County install a basic asphalt trail along the corridor by December 31, 2009; and

**WHEREAS**, The Board of Commissioners of Shelby County desires to accept these grant funds for this use; and

**WHEREAS**, The Memphis Metropolitan Planning Organization Transportation Policy Board has programmed a \$1,875,000 federal Surface Transportation Program (“STP”) Grant yielding 80% or \$1.5 million dollars of STP funds to the County for use in developing the trail, provided that the County provides the 20% matching fund in the amount of \$375,000.00; and

**WHEREAS**, Shelby Farms Park Conservancy desires to manage, operate, and enhance the trail for public use, providing for greater access to Shelby Farms Park for many citizens of Memphis and Shelby County; and

**WHEREAS**, on July 13, 2007, the County entered into a Management Agreement with Shelby Farms Park Conservancy for the management of Shelby Farms Park; and

**WHEREAS**, The Board of Commissioners of Shelby County, Tennessee, desires to amend the Management Agreement with Shelby Farms Park Conservancy to amend the territory included and expand the scope of responsibilities of the respective parties in order to provide for adequate management, maintenance and enhancement of the public trail; and

**WHEREAS**, It is necessary to enter into a Grant Agreement and to amend the FY 2009 Operating Budget to accept these grant funds; and

**WHEREAS**, It is necessary to amend the FY 2009 CIP budget to transfer \$375,000 to the grant fund to provide the match necessary to access the STP funds to build an asphalt trail; and

**WHEREAS**, It is necessary to enter into a Purchase Agreement with CSX Transportation, Inc. to purchase said rail line corridor and fulfill the terms of the Grant Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE**, That the Grant Agreement as set forth in Exhibit A, which is attached hereto and incorporated by reference, be and is hereby approved.

**BE IT FURTHER RESOLVED,** That the FY 2009 Operating Budget for the Public Works Division and the FY 2009 CIP Contingency Budget is hereby amended and funds appropriated per Exhibit A, which is attached hereto and incorporated by reference, be and is hereby approved.

**BE IT FURTHER RESOLVED,** That the FY 2009 Operating Budget for the Public Works Division and the FY 2009 CIP Contingency Budget is hereby amended and funds appropriated as set forth in Exhibit B, which is attached hereto and incorporated by reference.

**BE IT FURTHER RESOLVED,** That \$4,500,000 is hereby appropriated from account number 670-300201-7012, Land for the acquisition of a right of way for a public trail, and that \$375,000 is hereby appropriated from account number 670-300201-7013 (Land Improvements), and \$275,000 is hereby appropriated from account number 670-300201-6637 (Outside Contracts) to partially fund initial trail development expenses and matching funds for installation of the trail.

**BE IT FURTHER RESOLVED,** That the Purchase Agreement with CSX Transportation, Inc. for the purchase of 7.08 miles of rail corridor for the development of a public trail, as set forth in Exhibit C, which is attached hereto and incorporated by reference, be and is hereby approved.

**BE IT FURTHER RESOLVED,** That the Amendment to the Management Agreement between Shelby County Government and Shelby Farms Park Conservancy, as set forth in Exhibit D, which is attached hereto and incorporated by reference, be and is hereby approved.

**BE IT FURTHER RESOLVED,** That the County Mayor is hereby authorized to execute any and all documents necessary to comply with and effect the intent of this Resolution, an executed copy of which shall be placed on file in the Contracts Administration Department.

**BE IT FURTHER RESOLVED,** That the County Mayor and Director of Administration and Finance be and are hereby authorized to issue their warrant or warrants to the extent of appropriations, made in this Resolution, pursuant to the terms and conditions of said grant and to take proper credit in their accounting thereof.

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A C Wharton, Jr., County Mayor

Date: \_\_\_\_\_

ATTEST:

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Clerk of County Commission

ADOPTED: \_\_\_\_\_

## SUMMARY SHEET

### I. Description of Item

Shelby Farms Park Conservancy (SFPC) has agreed to provide \$4,775,000 grant to Shelby County to purchase the 7.08 mile long section of the 100 feet wide inactive CSX corridor that runs from approximately Flicker Street in central Memphis to approximately Farm Road at Shelby Farms to develop a trail in accordance with the interim trail use and rail banking provisions of the National Trails System Act, 16 U.S.C. 1247(d). The purchase price for the rail corridor is \$4.5 million; the remaining \$275,000 will be used to partially fund the initial trail development expenses.

SFPC has agreed to provide these funds to the County, provided that the County (1) installs a basic asphalt trail by December 31, 2009, and (2) SFPC assumes primary responsibility for operation and maintenance of the trail.

Through a \$1,875,000 federal Surface Transportation Program ("STP") Grant, there are \$1.5 million dollars of federal STP funds available to the County to use in developing the trail, provided that the County provides the 20% matching funds in the amount of \$375,000.

Thus, the County is able to leverage \$6,275,000 in private and federal funds to develop this trail.

This Resolution does the following:

- (a) Accepts the \$4,775,000 in grant funds from Shelby Farms Park Conservancy to fund the purchase of said rail line corridor and to partially fund initial trail development expenses thereon with the condition that the County build the trail by December 31, 2009.
- (b) Authorizes use of CIP funds up to \$375,000 as matching funds to secure the federal STP Grant to be used to build the trail.
- (c) Approves the Purchase Agreement with CSX Transportation, Inc. to purchase said rail line corridor for the trail.
- (d) Amends the Management Agreement with Shelby Farms Park Conservancy to authorize it to operate, enhance, and maintain the trail.

### II. Source and Amount of Funding

Grant Funds for purchase of the CSX corridor & initial Trail development expenses (Source Shelby Farms Conservancy)	\$4,775,000
Local Match ( Shelby County Government – CIP)	375,000
Transferred from CIP Contingency funds (Project Number 101999)	<hr/>

\$5,150,000

### **III. Contract Items**

- A. Acceptance of grant award from Shelby Farms Park Conservancy for \$4,775,000 which requires the County to install a basic asphalt trail by December 31, 2009. \$4.5 million of the grant is to be used to acquire the property from CSX and the remaining \$275,000 to partially fund the initial trail development expenses, including those expenses associated with the design, construction, maintenance or enhancement of the trail.
- B. Approval of the Purchase Agreement with CSX Transportation, Inc. to purchase the said rail line corridor for the trail.
- C. Amendment to existing Management Agreement with Shelby Farms Park Conservancy to authorize them to operate, enhance, and maintain the trail.

### **IV. Additional Information Relevant to Approval of this Item**

- Administration recommends approval of this Resolution.
- Costs for environmental due diligence work will be paid out of existing grants that are restricted to environmental projects such as these.
- Shelby County Government, through its policies and programs, recognizes the benefits of trails to the community. No longer are trails an amenity - they are an essential part of a sustainable community that provide alternative transportation corridors, reduce congestion , improve air quality, and connect neighborhoods.
- Construction of a trail, in the heart of the City and County, will provide the following benefits:
  - (1) During a time of increased competition for relocating or expanding businesses, it allows Shelby County to join the ranks of progressive communities in attracting forward-thinking global businesses whose leaders value the alternative-transit and recreational opportunities a trail provides for their workers.
  - (2) It allows Shelby County to connect the diverse neighborhoods in our community, providing real access – particularly to our City residents – to Shelby Farms Park.

- (3) It provides a convenient and safe opportunity for our citizens to exercise, improving the health of our city, and promotes biking and other modes of transportation that reduce our dependency on motorized vehicles.
- (4) If Shelby County does not act, CSX will move forward with its abandonment of this rail line corridor, which will break up the corridor into many disjointed sections, resulting in unusable strips of land producing adverse impacts upon the adjoining neighborhoods.